

Electronic ID Hurts America's Farmers and Ranchers Support S. 4282, SJ Res. 98 and HJ Res. 167

For decades, multinational meatpacking corporations and high-tech companies have pushed mandatory electronic identification (EID) for livestock, claiming that it's an animal health measure and supports food safety – but neither is true. The real story is that it is to promote foreign imports and exports, thus maximizing the meatpacking companies' profits, while the high-tech companies will make millions selling tags, readers, and all the related infrastructure, all at the expense of farmers and ranchers.

The U.S. has a long successful history of addressing animal diseases, thanks to both the USDA and America's cattle producers investing in animal husbandry, vaccines, medications, and targeted disease programs.

But two decades ago, in the name of traceability, the USDA attempted to force America's cattle producers – and every livestock or poultry owner in the country -- to register their premises with the federal government, individually identify all their animals with electronic identification, and report their animals' movements under the National Animal Identification System (NAIS).

The USDA's onerous NAIS plan mimicked that of countries that are heavily dependent on exports, such as Europe, Australia, and Canada. USDA has frequently touted the export benefits of such a program, even though only about 11% of U.S.-raised beef is exported,¹ and the profits flow almost entirely to the large meatpacking companies and a handful of the largest producers.

After a massive outcry from ranchers, farmers, homesteaders, property rights and privacy advocates, and local food consumers, the USDA withdrew the plan for NAIS in 2010.

In its place, the USDA adopted the Animal Disease Traceability (ADT) Rule. It required cattle producers to identify their adult beef cattle and all dairy cattle moving interstate with some form of individual animal identification. Consolidated, vertically integrated operations are allowed to use group identification. The rule explicitly promised producers that they could choose among a variety of identification devices, including metal and plastic tags. The USDA described ADT as a flexible solution to animal disease traceability that encouraged the use of low-cost technology.²

The USDA has conducted tests of the ADT and found that, on average, States can successfully trace an animal shipped out of state back to its state of origin in less than 1 hour.³

Nonetheless, in May 2024, the USDA adopted a new rule, eliminating visual-only ear tags and mandating electronic ID. The agency claims this change is needed to: 1) eliminate typos when the identification number on an ear tag is transcribed to a database, and 2) eliminate problems inherent to the paper records that currently accompany animals that cross state lines.

¹ https://fas.usda.gov/beef-2021-export-highlights.

² https://www.aphis.usda.gov/sites/default/files/rule_movement_general.pdf

³ USDA Final Rule, Supplementary Information, p.6, https://www.aphis.usda.gov/sites/default/files/traceability-final-rule.pdf

This rule should be overturned by Congress for numerous reasons.

- 1. Nothing has changed since the USDA promoted the use of low-tech methods of ID in the 2013 ADT rule that would require the government to eliminate producer choice.
- 2. USDA states that electronic tags and record systems provide a significant advantage over non-EID tags and paper record systems, yet the agency is mandating only EID tags, not an electronic record system -- presumably because the costs of requiring the electronic records would clearly push this into being a "major rule" subject to greater scrutiny.
- 3. USDA has explicitly refused to address the full costs of the new requirement, saying that since the tags will have a visual component, producers, sale barns, and veterinarians are not technically required to buy EID readers and other (constantly changing) equipment. Yet to the extent this is true, the agency is simply imposing the added cost of EID tags without achieving the supposed benefits of moving away from hand-transcribed non-electronic forms of identification.
- 4. Large corporate-controlled operations will not only benefit from economies of scale, but can structure their operations to avoid individual ID requirements altogether through the provisions for group identification.
- 5. EID hurts small farms and ranches and increases consolidation, based on the actual experience in our country. In 2007, Michigan implemented mandatory electronic ID for cattle intrastate. Between 2007 and 2022 (the most recent agricultural census):
 - a. Michigan lost 4,445, or 32%, of its farms that have fewer than 500 head of cattle. Nationally, the number of small farms decreased by a lower percentage (25%).
 - b. The number of <u>large</u> cattle farms in Michigan <u>increased</u> by 37% and even more dramatically, the number of cattle on those large farms increased by 64%!
 - c. Nationally, the number of large farms actually decreased by 1%, and the number of head on those large farms only increased by 12%.

In other words, in the only state with mandatory EID, small farms have been lost at a rate greater than the national average, while the consolidation of cattle on large farms outstrips the national average by almost 5 to 1!

6. USDA states that 70% of cattle would need to be traceable for it to be fully prepared for a foreign animal disease. Yet USDA estimates that the new rule would apply to only about 11% of cattle. The agency's press release signals that it intends to keep expanding this program to create a high-tech "birth to death" system. In other words, this rule is only the start towards mandating EID tags on all livestock, as USDA originally proposed. The costs and intrusions will force thousands of farmers and ranchers out of business.

We urge Congress to pass S.B. 4282, S.J. Res. 98 and H.J. Res. 167. These simple bills and resolutions will prevent the USDA from mandating electronic identification for cattle and bison, preserving the vital component of choice for producers.

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